

**SHAMIR MAKES UNANNOUNCED SURPRISE VISIT TO HUNGARY**  
By Hugh Orgel

TEL AVIV, April 18 (JTA) -- Prime Minister Yitzhak Shamir made a one-day, secret, unexpected and unannounced visit to Budapest on Monday.

It was first disclosed by a foreign newspaper after his arrival there Monday night and confirmed in a one-line acknowledgment by the Hungarian news agency.

The surprise visit of the Israeli leader to Hungary, one of the East bloc nations that broke ties with Israel following the 1967 Six-Day War, fuels speculation that the two countries are about to resume diplomatic ties.

Speculation was also raised that the purpose was part of Hungary's ongoing effort to solicit Israeli help -- in Washington and with Jewish investors -- to channel economic aid and investment to Hungary.

Shamir, who flew to Hungary aboard a private executive jet, was accompanied by Justice Minister Dan Meridor and his military aide, Brig. Gen. Azriel Nevo. They were due back in Israel Tuesday evening.

Ma'ariv reported Tuesday that Shamir's visit had been planned before he went to Washington earlier this month.

Israel Radio added that details had been finalized over the weekend during a short visit to Israel by Hungarian Deputy Foreign Minister Laszlo Kovacs.

Observers all agreed Tuesday that the premier's visit was undertaken with the full knowledge of the Soviet Union, which approved the subjects to be discussed during talks in Budapest.

**Predicts Improved Relations**

During his visit here, Kovacs agreed on a number of joint economic ventures and predicted improved diplomatic relations in the near future.

Shamir himself paid a private but well-publicized visit to Hungary last September.

Avi Pazner, Shamir's spokesman, told Israel Radio that the initial secrecy about Shamir's trip had been requested by the Hungarians.

Pazner added that Shamir would undoubtedly use the opportunity of his Budapest visit to brief Hungary, and through Hungary other East European countries, on details of Shamir's Middle East peace plan.

While most speculation centered on bilateral matters and renewed relations between Israel and Hungary, there was also speculation that Shamir's visit might be linked to the Arab-Israeli peace process, and that the Hungarians may be hosting a discreet meeting between Shamir and an Arab or Palestinian figure.

In February, Hungarian Prime Minister Miklos Nemeth said his country intended to restore diplomatic relations with Israel in the next five months.

Israeli sources believe that such a move would set a precedent for Poland and other Eastern bloc nations to follow. All Eastern-bloc nations, with the exception of Romania, broke ties with Israel following the 1967 war.

The World Jewish Congress announced last

month that it would be opening an office in Budapest in July, the first WJC bureau in a Communist country.

Although the WJC would not formally confirm that ties between Israel and Hungary were being firmed up during Shamir's visit, WJC executive director Elan Steinberg said, "By the time the WJC Budapest office opens in mid-July, full diplomatic relations between Hungary and Israel will have been established."

**HUSSEIN WILL BE URGED TO KEEP 'OPEN MIND' ON ELECTIONS PLAN**

By David Friedman

WASHINGTON, April 18 (JTA) -- President Bush is expected to ask King Hussein of Jordan on Wednesday to use his influence with the Palestinians to keep them from rejecting Israeli Prime Minister Yitzhak Shamir's proposal for elections in the West Bank and Gaza Strip.

But a senior administration official, briefing reporters on the scheduled White House meeting, refused to confirm Tuesday that such a request will be made.

"These are decisions for King Hussein himself to make," he said. "We are not going to be forcing King Hussein or urging him or pressuring him."

But Bush and other administration officials will ask the king to "keep an open mind" on Shamir's proposals, the official said.

Hussein's meeting with Bush comes on the heels of meetings the president has had with Egyptian President Hosni Mubarak and Shamir.

Before coming to Washington, Hussein met with Yubarak, Palestine Liberation Organization leader Yasir Arafat and French President Francois Mitterrand.

After his meeting two weeks ago with Shamir, Bush endorsed the election proposal, which would allow Palestinians in the territories to elect representatives to negotiate an interim self-rule arrangement with Israel.

After this interim period, negotiations on the final status of the territories would be held.

The election concept is "one aspect of the peace process," the official stressed. "But we also see this as not an end to itself. We see the whole process leading towards, not only interim arrangements, but also to a final status (agreement on the territories) and a comprehensive settlement."

Although Hussein said last summer that he was removing himself from the peace process, the official stressed that the United States believes he "has an important role to play in the peace process."

Considering Jordan's long border with Israel, "there's no way in the world that one could perceive a peace process moving forward without the active involvement of King Hussein," he said.

Hussein is also expected to make requests for U.S. military and economic aid.

Jordan is to receive \$10 million in military supplies this year, the lowest amount in years. The Bush administration has asked that this be increased to \$50 million in the 1990 fiscal year, which begins Oct. 1. However economic aid will be reduced from \$58 million to \$35 million.

Congress for the last several years has

rejected major arms requests for Jordan until it begins direct negotiations with Israel.

After meeting with Bush, Hussein is scheduled to have lunch with Vice President Dan Quayle, meet with members of Congress and be the guest at a White House dinner Wednesday night.

Hussein is scheduled to meet with Secretary of State James Baker on Thursday and have breakfast with Defense Secretary Dick Cheney Friday before leaving Washington.

#### GADHAFI, ARAFAT REPORTEDLY SUPPLIED SUITCASES OF CASH TO PAPANDEOU

By Tom Tugend

LOS ANGELES, April 18 (JTA) -- Greek Prime Minister Andreas Papandreu accepted secret contributions from Libyan leader Moammar Gadhafi and Palestine Liberation Organization chief Yasir Arafat for his 1981 election campaign, a former ally of Papandreu has charged.

If true, the payoffs would underscore the links between the Greek government and Palestinian terrorists and help explain the government's refusal to honor Italy's request for the extradition of convicted terrorist Abdel Osama al-Zomar.

Zomar is the principal suspect in the Oct. 9, 1982, machine gun and grenade attack on the main synagogue in Rome, which killed a 2-year-old and wounded 40 others.

At the time of Zomar's release to be allowed to fly to Libya, the Greek minister of justice, Vassillis Rotis, said he could not honor Italy's request -- upheld by the Greek Supreme Court -- because he considered Zomar's acts "all in the domain of the struggle to regain a homeland."

In an interview with the Los Angeles Times this week, fugitive Greek banker George Koskotas said, "In 1981, Papandreu got money from Gadhafi and Arafat to be elected. This I know from a very close friend of Papandreu, Ionnis Mantzouranis. He told me about suitcases of money that he took from Arafat and Gadhafi."

During a five-hour interview, Koskotas also said that he smuggled 90 million drachmas (\$600,000) directly to the prime minister, hidden in a box of Pampers diapers.

Koskotas, who has been charged by the Athens government with embezzling \$213 million from his own bank, was interviewed by the Times at the county jail in Salem, Mass.

He is being held on U.S. income tax evasion charges from 1979, before the 34-year old Greek-American entrepreneur returned to settle in Athens.

Koskotas is fighting extradition to Greece but fears he may be exchanged against his will if Greece agrees to extradite Palestinian terrorist Mohammed Rashid to the United States.

#### BAKER SAYS BALANCE OF POWER IN MIDDLE EAST HAS TIPPED

By Howard Rosenberg

WASHINGTON, April 18 (JTA) -- The recent Soviet sale of 10 to 15 Sukhoi-24 D bombers to Libya has altered the military balance in the Middle East, Secretary of State James Baker said Tuesday.

He added that he has "no reason to disagree" with the argument that the sale of the planes, with a 1,610-mile radius, threatens Israel.

Baker was replying to questions asked by Sen. Jesse Helms (R-N.C.), during testimony before the Senate Foreign Relations Committee.

Baker said the sale "says that when (the Soviets) talk about wanting to be involved in the Middle East peace process, they are doing a good job of talking but not in supporting that talk with their deeds.

"If they really wanted to be helpful in the Middle East, they would not be so supportive of radical regimes like Libya generally," he said.

Baker said the United States would also welcome Soviet restoration of full diplomatic relations with Israel, as well as the use of its influence with Syria to end the violence in Lebanon as well as activities of radical Palestine Liberation Organization factions based in Syria.

The situation in Lebanon is "very, very intractable," Baker said, but he called the Arab-Israeli conflict the most intractable foreign policy dispute.

On Monday, the State Department singled out Syria when it called for an end to the "indiscriminate shelling" in Beirut. Baker said this was only the second time that the United States has criticized Syria as the chief foreign force instigating violence in Lebanon.

At the hearings, Helms ordered aides to distribute pictures of the Sukhoi-24 D bombers to committee members and reporters.

He also arranged to have large posters displayed of the plane, a Middle East regional map with a circle denoting the plane's radius and the alleged Libyan poison gas plant.

#### REPUBLICAN LEADER TO VISIT ISRAEL

By Howard Rosenberg

WASHINGTON, April 18 (JTA) -- When Israeli Prime Minister Yitzhak Shamir was in town last week, he invited Republican National Committee Chairman Lee Atwater to visit Israel.

Atwater has accepted the invitation and plans to visit Israel in the next few months, said Leslie Goodman, Atwater's press secretary.

"Both men have very similar styles," she said Tuesday, when asked if one of the visit's purposes would be to have Atwater teach Shamir a thing or two about running political campaigns.

Atwater, after all, ran President Bush's presidential campaign in 1988.

Atwater had lunch Monday with Israeli Ambassador Moshe Arad, said Yossi Gal, the spokesman for the Israeli Embassy here.

Gal said Shamir also plans to invite Democratic National Committee Chairman Ron Brown, because "Israel has always been very proud of the bipartisan support it has been getting here in the United States."

#### ITALIAN LEADER TO VISIT ISRAEL

By Ruth E. Gruber

ROME, April 18 (JTA) -- Italian Prime Minister Ciriaco de Mita will make an official visit to Israel on April 23 at the invitation of Israeli Prime Minister Yitzhak Shamir. De Mita's visit is a reciprocal trip for the one Shamir paid to Italy last year.

An announcement by de Mita's office said the prime minister would be accompanied by Foreign Minister Giulio Andreotti. A spokesman said no details were yet available about the program.

Italy has close relations both with Israel and Arab states, as well as with the Palestine Liberation Organization, and has long tried to serve as a mediator in the Middle East conflict.

## BAKER BACKS POLICY OF DENYING REFUGEE STATUS TO SOME JEWS

By Howard Rosenberg

WASHINGTON, April 18 (JTA) -- Secretary of State James Baker told a congressional panel Tuesday that he supports the Justice Department's policy to grant refugee status on a selective basis to Soviet Jews wishing to enter the United States.

Jewish groups have criticized the Bush administration for continuing a policy started last fall by the Reagan administration of refusing to give refugee status automatically to all Soviet Jewish emigrants wishing to enter the United States.

In public appearances during the past two weeks, Attorney General Dick Thornburgh and Immigration and Naturalization Service Commissioner Alan Nelson have defended the denial of refugee status to some Soviet Jews.

Jewish organizations maintain that all Soviet Jews meet the U.S. criteria for refugees, which is that they must prove to have had a "well-founded fear of persecution" in the lands from which they emigrated.

Baker told the Senate Foreign Relations Committee on Tuesday there is a review under way in the State Department on refugee policy, but that he supports a "worldwide standard" in judging refugee claims. He said that applications for refugee status should "generally be adjudicated on a case-by-case basis with reference to that standard."

Sen. Joseph Biden (D-Del.), chairman of the Senate Judiciary Committee, which has jurisdiction over the INS, said during Baker's testimony Tuesday that the United States should "keep in context the position we have taken for such a long time," that "Soviet Jews have demonstrably been victims of persecution in the Soviet Union, and I see no evidence of that changing."

"I hope we would not make the mistake of concluding that, until we have a total standard that all can agree on, we are not going to deal with a group of people who have for thousands of years, from czars to commissars, been clear victims of persecution in their country," he added.

"Despite the remarkable changes under (Soviet leader Mikhail) Gorbachev, I have not seen convincing evidence that, in fact, Soviet Jews within the Soviet Union are no longer persecuted," Biden said.

## UJA HAS WON ZIONIST SUPPORT FOR 'PASSAGE TO FREEDOM' DRIVE

NEW YORK, April 18 (JTA) -- The United Jewish Appeal appears to have won support for its "Passage to Freedom" campaign from sectors of the Zionist establishment that had previously criticized the \$75 million special fund-raising effort for Soviet Jewry.

Last week, the Jewish Agency Executive issued a statement after its meeting in Washington, affirming "its unqualified support" for the special UJA campaign, "in the spirit of the unity of the Jewish people."

The statement was signed by Simcha Dinitz, chairman of the World Zionist Organization-Jewish Agency Executive, and Mendel Kaplan, chairman of the Jewish Agency Board of Governors.

Less than a week earlier, Dinitz had issued a blistering criticism of the campaign, because UJA

had decided that, in effect, the Jewish Agency would get only 25 percent of the proceeds to help resettle Soviet Jews in Israel.

His complaint, echoed by leaders in the American Zionist movement, was that the vast majority of the funds would go to resettling Soviet Jews in the Diaspora, instead of in Israel, which Diaspora leaders have always recognized as the homeland of the Jewish people.

The Zionists now appear to be mollified by a UJA commitment that the Jewish Agency will receive the "major portion" of \$37.5 million in campaign proceeds earmarked for overseas needs.

### Endorsement From UJA

On Monday, the board of trustees of the United Israel Appeal, which funnels UJA funds to the Jewish Agency, met here and adopted a resolution endorsing the Passage to Freedom campaign.

"As leaders in our communities, we recognize our critical role and that of all American Jewry to participate in this campaign and to support all efforts to resettle Soviet Jews during this unique opportunity for freedom," the resolution stated.

UJA is gratified that the Zionist establishment is now backing the special campaign. UJA National Chairman Morton Kornreich and President Stanley Horowitz issued a statement Monday saying they were pleased with the Jewish Agency's "unqualified support" for the Passage to Freedom drive.

"It now appears that there is a determination to move ahead in unity and with singleness of purpose to provide care and maintenance for the resettlement of Soviet Jews. At the same time, there is the continuing hope that large numbers will choose to go to Israel," the statement said.

## LIKUD AND LABOR QUARREL OVER FINANCIAL ASSISTANCE

By Gil Sedan

JERUSALEM, April 18 (JTA) -- Tensions between Likud and Labor have erupted in the Knesset Finance Committee, casting a shadow on overall cooperation between the two coalition partners.

Likud members of the Knesset's Finance Committee threatened Monday to join forces with the religious parties against Labor, in order to approve aid to interests affiliated with the Likud.

This development took place in retaliation for a deal Labor struck Sunday with the religious parties and the Citizens Rights Movement to pass, over Likud's objections, an aid package for financially troubled kibbutzim.

Likud Knesset member Ariel Weinstein complained to Prime Minister Yitzhak Shamir that by doing so, Labor had violated the "formal, written agreement to pass all aid together, and not piecemeal."

Weinstein blamed Finance Minister Shimon Peres for the development. He charged that Peres had maintained a distance from the committee's proceedings and "sent his young troops to do his dirty work for him, so that he could later deny any knowledge of what went on."

Knesset member Haim Ramon of Labor rejected Weinstein's charges and warned that "if there is no coalition in the Finance Committee, then there cannot be a coalition in the Knesset or government either."

**SKINHEADS SET TO CONVENE  
FOR HITLER'S 100TH BIRTHDAY**

By Susan Birnbaum

NEW YORK, April 18 (JTA) -- The first national Skinhead convention is expected to gather this week on an isolated compound near Coeur d'Alene, Idaho, to celebrate Adolf Hitler's 100th birthday.

The gathering this weekend is a project of the "Rev." Richard Butler, leader of the Aryan Nations Church of Jesus Christ-Christian.

A former Jesse Jackson delegate at the Democratic National Convention, Lisa Anderson, will lead a countermarch Thursday, endorsed by Jackson, that is expected to attract 20,000 and double Coeur d'Alene's population for the event.

Irwin Suall, fact-finding director of the ADL, said the ADL will be monitoring the Skinhead gathering. "It's high up on our agenda." He believes an estimated 100 Skinheads may show.

In America, said Suall, there are roughly 3,000 Skinheads, active in 30 states. They also exist in Western and Eastern Europe -- a Hungarian news magazine portrayed them on their cover last July, and they have attacked churches and citizens in East Germany -- and are reported also in Canada, Australia, New Zealand and South Africa.

"The Skinhead phenomenon is a very troubling phenomenon," said Suall, "mainly because it involves new young people, many as young as 14 or 15, inculcated into anti-Semitism -- a new generation of active haters."

Skinheads have been increasingly infused into the extreme right-wing "Christian Identity" movement in the last couple of years, adding the hatred and violence of the shaven-headed youth to a "racialist" belief system cum "religion."

That religion counts Jews as "impostors, children of Satan" and blacks as "pre-Adamic."

Coeur d'Alene is a quiet resort town that was rocked by racist bombings three years ago. A regional human rights organization, the Northwest Coalition Against Malicious Harassment, was subsequently formed.

Now, the group is asking local citizens to tie orange ribbons to every tree, bush and fence.

Klanwatch, a civil rights group in Montgomery, Ala., released a report on the Skinheads in February blaming them for last year's worst racist attacks, "the most alarming development of 1988."

Klanwatch, the Anti-Defamation League and the Center for Democratic Renewal all report that the Skinheads are growing in numbers.

In Portland, four separate Skinhead gangs operate, and police there reported at least 40 serious crimes in 1988 committed by Skinheads, including murder.

In Seattle, the American Front Skinheads sent representatives to a memorial rally for a murdered member of The Order, the right-wing group involved in the killing of Denver Jewish talk-show host Alan Berg.

Suall said the ADL has begun to sponsor conferences in schools, attended by school authorities, police and law enforcement officials and community leaders.

"We're finding a trend, that Skinheads are increasingly sending organizers out to the schools, particularly to schools where there is racial conflict."

ADL will publish a new survey of Skinheads in about six weeks.

**NEO-NAZI GROUP GETS REJECTED  
IN BID FOR GERMAN MEETING HALLS**

By David Kantor

BONN, April 18 (JTA) -- A neo-Nazi group, the German People's Union, failed last weekend in three attempts to organize a rally in small communities in the Federal state of Hesse.

In two cases, landlords who were about to make rooms available for the meetings backed off after having learned that their guests were right-wing extremists.

In a third case, in the town of Haunack, the local authorities banned the GPU meeting.

The leader of the GPU, Gerhard Frey, took the authorities to a local court last week, where it was declared that the ban was illegal.

But the decision was reversed last Friday by a higher court in nearby Bad Hersfeld.

The events in Hesse were typical of an emerging pattern in many towns in West Germany, where protesters and anti-Nazi activists have been trying to prevent right-wing extremists from holding public meetings.

However, one extremist group, the Republicans, has become more and more popular and has largely succeeded in establishing itself as a legitimate, right-of-the-center Democratic Party.

The group has become a problem for the governing Christian Democratic Union and its Bavarian ally, the Christian Social Union.

Christian Democratic leader Theo Waigel declared Sunday in Munich that mainstream parties should take into account the increased "national consciousness" among the Germans.

**U.S. NEWS PUBLISHER AMONG  
9 BIDS FOR JERUSALEM POST**

By Hugh Orgel

TEL AVIV, April 18 (JTA) -- Mortimer Zuckerman, publisher of U.S. News and World Report, is among the latest foreign investors making a bid for a controlling interest in The Jerusalem Post.

Israel Investors Corporation, the Koor subsidiary which holds 55 percent of the shares in the Post, was due Tuesday to begin considering at least nine offers that were received for bids on the majority of shares of Israel's only English-language daily.

The Koor spokesman, Amnon Bar-Noy, told the Post Monday night that "in principle, we will obviously look for the highest price, but there could be other factors involved."

Reports late Tuesday said an unnamed Canadian investment group had put in the highest bid so far for the controlling interest of the shares.

Israeli media reported that the undisclosed bid was "huge" and "several times higher" than that submitted by a joint Robert Maxwell-Charles Bronfman bid already announced.

But sources said that Maxwell-Bronfman and some of the other bidders might consider increasing their offers in the days ahead.

In addition to Maxwell-Bronfman, other bids have been made by Australian businessman Richard Pratt, who owns Australia's leading Jewish weeklies, and U.S.-based Israeli businessman Aryeh Genger, who recently acquired Ha'olam Hazeh.

REMINDER: JTA will not publish the Daily News Bulletin on Thursday and Friday, April 20 and 21.